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- Effect of Exports to East on Goods available for West

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East Germany was no longer a liability to the Bloc, and at present the country which required the greatest extent of aid from its neighbors was Rumania. The USSR and Hungary were the chief countries of the Bloc concerned in providing material assistance to the Rumanians.

5. Hungary is supplying installations and steel plants to be erected in North Korea.

Rákosi and Nagy

6. The official stated that the general view of the Hungarian Communist Party was that neither Rákosi nor anyone else was indispensable. It could be said that the control of the Party and Government was through collective leadership, but that Rákosi's personality and experience made him far and away the important figure. There was no discussion in Party or Government circles about a successor to Rákosi.
7. Ernő Gerő was very little heard of nowadays. [REDACTED]
8. Commenting on the Rákosi - Nagy dispute, the official said that when Nagy made his original statement about a liberalization of Hungarian economic policy, he gave no instructions on how exactly this was to be brought about. It was only after about three months that instructions were issued on such matters as norms and a revision of agricultural quotas, etc. In the interim period, chaos had ensued, since no one knew what should be done to carry out the new line, and people were naturally reluctant to take responsibility upon themselves for any radical change. When Nagy finally issued instructions, these were of a far less liberal nature than he had originally intended, since in the meantime he had come to realize that the time was not yet ripe for a radical relaxation in State control over industry and agriculture, or in the tenor of production. Since it would have been impossible for him to reverse his policy, a change of direction was ultimately announced by Rákosi.

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